Research News for the U.S. Travel Industry

TRAVEL PRINTOUT

US Travel Data Center

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Travel Industry Experts Join TEIM Update Project

A Technical Review Panel consisting of travel industry leaders and research experts, will advise the US Travel Data Center on a comprehensive project to expand the capabilities of its Travel Economic Impact Model (TEIM). Developed by the Data Center in 1973, the TEIM generates detailed estimates of the impact of travel spending on national, state, and local economies.

"We are fortunate to have this distinguished group of professionals assisting with the technical aspects of the TEIM revision," said Data Center Director Dr. Suzanne Cook. She added, "Their input will ensure that all segments of the industry are represented accordingly in the model's output data."

Although the Data Center updates the TEIM annually as new information becomes available, the model will now be reviewed and revised, including the addition of foreign visitor and multiplier components as well as a forecasting component that will allow the Data Center to predict travel expenditures for one to five years into the future.

The revised TEIM will also enable federal agencies and business leaders to better evaluate and predict the economic influence of U.S. travel.

The Technical Review Panel will provide the TEIM revision project team with guidance on modeling techniques, relevant tourism research, consumer expenditure behavior, and variables for the new forecasting component.

The panel includes: Dr. Fred W. Bell, Department of Economics, Florida State University; Dr. Malcolm Bevins, Department of Agricultural and Resource Economics, University of Vermont; William J. Carroll, vice president, The Hertz Corp.; Dr. H. Ken Cordell, project leader, Forestry Sciences Laboratory; Paul Georgiou, director of market research, Avis Rent a Car Systems; Jim Godsman, president, Cruise Line International Association; Dr. Charles R. Goeldner, Assoc. Dean for Graduate Programs, College of Business Administration, University of Colorado; Gary Grayley, director of market research, Greyhound Lines, Inc.; Richard Hebert, managing director public affairs, American Automobile Association; Dr. Ken Hornback, chief, statistical office, National Park Service; Dr. George James, president, Airline Economics, Inc.; Dr. Wilbur LaPage, director, New Hampshire Division of Parks, Recreation and Tourism; Mark Lomanno, director of research, Laventhol & Horwath; Dr. James Mak, Department of Economics, University of Hawaii; Susan Mills, director, research and information services, National Restaurant Association; Dr. Ady Milman, Dick Pope, Sr. Institute for Tourism Studies, University of Central Florida; Michael Olsen, vice president of

(see **panel** on page 3)

Travel Outlook Forum Reveals Results of New Consumer Attitude Study

Elaine Maran, senior vice president of the Daniel Yankelovich Group, will discuss Looking Toward the '90s in the Travel Industry, the ground breaking study of industry, trade and consumer attitudes commissioned by CMP Travel Group and Ask Mr. Foster, at the US Travel Data Center's 1990 Travel Outlook Forum. The forum, co-sponsored by the Travel and Tourism Research Association (TTRA), precedes the Travel Industry Association's (TIA) Travel Industry National Conference on October 3, 1989, at the Diplomat Resort and Country Club in Hollywood, Florida.

This year's forum, themed "1990 - Gateway to a Decade," will be the industry's first opportunity to explore this study's findings on leisure travelers, business travel growth, the next international "hot" spots, and what consumers' attitudes towards travel in the 1990s will mean to the industry.

With the Daniel Yankelovich Group, Maran directs design, analysis, presentation and consulting in marketing and social research.

Maran's experience in different phases of research, including qualitative, survey, and test market simulation, led to her success in the new products area.

Registration fees for Data Center/TIA/TTRA members for the conference and forum are $395, $425 for others; the forum only is $195 for members, $220 for others. For more information, contact the Data Center at 202/293-1040. ##

1988 Visitor Spending in New York City Poured $10 Billion into the NYC Economy

In 1988, visitors to New York City spent almost $9.8 billion, a 9.7 percent increase over 1987 spending, according to a benchmark study released by the New York City Convention & Vistors Bureau.

The study, conducted by the US Travel Data Center, utilized the Travel Economic Impact Model (TEIM) to measure the overall impact of travel spending on the New York City economy.

The New York City visitor study marked the first time foreign visitor spending was measured for a metropolitan area by the Data Center. International visitors to New York City totalled approximately 4.6 million, a 15 percent jump over 1987.

Said Marshall Murdaugh, president of the New York Convention & Visitors Bureau, "The international visitor segment represented almost a fourth of all visitors to the city and approximately 26 percent of total visitor spending. Obviously, the growth in international tourism is a mainstay of the city's visitor industry."

U.S. and foreign visitors to New York City directly generated a total of $988.7 million in state and local taxes, an increase of nearly 10 percent over 1987 figures.

Travelers' expenditures in New York City also generated nearly 144,000 jobs, a 3 percent increase over year-earlier levels.

The study also estimated the multiplier, or total, affects of travel spending on the New York City economy, which includes the additional business that is generated to service traveler demand, and the contribution of travel industry employees as they, in turn, spend their earnings.

"Visitor spending benefits all aspects of the city's economy," according to Murdaugh. "Hotels, restaurants, transportation, cultural attractions, etc., benefit directly, while other businesses benefit indirectly. For example, it is estimated that 6 percent of all retail sales are attributed to visitors."

The Data Center plans to conduct additional studies that measure the economic affects of travel spending at the city level. Already scheduled are studies for the Atlanta Convention & Visitors Bureau, the Greater Buffalo Convention & Visitors Bureau, and the North Carolina Association of Convention & Visitor Bureaus, which includes at least 14 individual metropolitan areas.

A summary analysis of the New York City study is available free from the New York Convention & Visitors Bureau. ##

Rising Motor Fuel Costs Lead May Travel Price Increase

The overall cost of traveling in the United States rose 0.5 percent in May, led by a 4.9 percent jump in motor fuel prices, according to the Data Center's lastest Travel Price Index (TPI).

The TPI, which measures the seasonally unadjusted changes in the cost of travel in the U.S., reached 126.3 (1982 - 84 = 100) in May. For comparison, the overall cost of goods and services purchased by consumers as measured by the Consumer Price Index (CPI) reached 123.8, a 0.6 percent increase over year-earlier levels.

Travel Price Index and Components

May 1989 TPI Component	Monthly % Change April to May 1989	Annual % Change May 1988 to May 1989
Transportation	2.9	13.2
Airline Fares	0.2	6.0
Other Intercity Trans.	1.0	5.4
Intracity Public Trans.	0.6	3.3
Motor Fuel	4.9	18.7
Lodging	0.9	2.5
Food and Beverages Away From Home	0.4	4.7
Entertainment	0.3	6.7
TRAVEL PRICE INDEX	0.5	5.7
CONSUMER PRICE INDEX	0.6	5.4

Source: US Travel Data Center and the U.S. Bureau of Labor Statistics

The cost of lodging while out of town declined for the second consecutive month, down 0.9 percent, while the cost of entertainment dropped for the first time this year.

Transportation prices rose 2.9 percent during May, led by the increase in motor fuel costs and a 1 percent rise in the cost of other intercity transportation. Airline fares and intracity public transportation prices reported marginal increases in May.

Annual changes in both the TPI and CPI remained fairly balanced -- the TPI rose almost 5.7 percent, led by a 18.7 percent growth in motor fuel prices and a 13.2 percent jump in transportation costs. Increases in airline fares and entertainment prices also contributed to the yearly TPI increase. The CPI increased 5.4 percent for the 12 month period. ##

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April Travel Up 8 Percent

Travel during April jumped nearly 8 percent over year-earlier levels, lead by a significant increase in weekend* and pleasure travel, reports the latest results of the National Travel Survey.

Americans took 81 million person-trips during April, according to the monthly telephone survey. (A person-trip measures each person traveling 100 miles or more away from home.)

The National Travel Survey also revealed:

- Vacation travel rose 6 percent during April;
- Travel for business edged 4 percent;
- Air travel increased 4 percent, while travel by auto, truck, or RV climbed more than 12 percent;
- Trips involving hotels/motels showed a sharp increase.

* There were five weekends in April 1989. ##

Panel (continued from page 1)

corporate communications, National Car Rental Systems Mark Phelps, vice president of research, Runzheimer International; Alan Pisarski, consultant; John Prokopy, director of marketing, Amtrak; Dr. Robert W. Rafuse, senior fellow, Advisory Commission on Intergovernmental Relations; David Redekop, director, the Canadian Tourism Research Institute, The Conference Board of Canada; Dr. James M. Rovelstad, director, Center for Survey & Marketing Research, University of Wisconsin; Dr. William Schaffer, College of Management, Georgia Institute of Technology; Eric Scharf, president, National Association of Passenger Vessel Owners; David A. Swierenga, assistant vice president, Air Transport Association of America; Randell A. Smith, president, Smith Travel Research; Tony Tighe, program analyst, National Endowment for the Arts; Janet Treber, director of research and statistics, American Society of Travel Agents; Dr. Turgut Var, Department of Recreation and Parks, Texas A & M University; James D. Yeiser, assistant director of research, The Rouse Company. ##

Discoveries...

An Ongoing Guide to Current Travel Research

- **An Overview of the U.S. Resort Market,** released by the American Hotel & Motel Association (AH&MA), examines recent trends in resort vacations, destinations hotels, and travel agent bookings.

The **Overview** and transcripts are available to AH&MA members for $20, $35 to non-members. Write the Publications Department, AH&MA, 1201 New York Ave., NW, Washington, D.C. 20005.

- Travel & Leisure's **A Survey of Traveling Americans**, provides a look at travel attitudes and behavior by Americans. The study discusses the long-term impacts of terrorism, foul-ups in travel plans, the popularity of weekend trips, "hot" destination spots, and more.

The study, including the questionnaire, may be obtained from Travel & Leisure, 1120 Avenue of the Americas, New York, NY, 10036, Attn: Publishers Office.

- The **1989 Trends in Travel and Tourism** Advertising Expenditures, released by Ogilvy & Mather, reports on advertising spending in U.S. measured media by airlines, domestic and foreign destinations, and cruise lines. The study covers 1984 - 88 and details total advertising spending for various travel segments and analyses leading advertisers.

Reports are available for $65. Send orders to Ogilvy & Mather Advertising, Edward Berrol, 309 W. 49th Street, New York, NY, 10019. ##

Visitor Volume at National Parks

Region	APR 1989 visits	% Change from APR 1988*	Year to Date % Change 1988/89*
NEW ENGLAND	909,343	4.7	8.1
MIDDLE ATLANTIC	2,331,569	8.1	5.2
SOUTH ATLANTIC	7,449,873	-3.3	-1.3
EAST SOUTH CENT.	1,807,037	-12.2	-1.6
EAST NORTH CENT.	339,330	-2.0	-1.4
WEST NORTH CENT.	476,101	5.3	4.7
WEST SOUTH CENT.	1,033,035	8.4	7.2
MOUNTAIN	2,757,083	10.4	4.5
PACIFIC	3,942,306	-2.4	-3.5
TOTAL	21,045,677	-0.1	0.3

* Percent change figures may not be consistent with those previously reported due to National Park Service revisions.

States comprising the Census regions:
New England: Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont. **Middle Atlantic:** New Jersey, New York, Pennsylvania. **South Atlantic:** Delaware, District of Columbia, Florida, Georgia, Maryland, North Carolina, South Carolina, Virginia, West Virginia. **East South Central:** Alabama, Kentucky, Mississippi, Tennessee. **East North Central:** Illinois, Indiana, Michigan, Ohio, Wisconsin. **West North Central:** Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota, South Dakota. **West South Central:** Arkansas, Louisiana, Oklahoma, Texas. **Mountain:** Arizona, Colorado, Idaho, Montana, Nevada, New Mexico, Utah, Wyoming. **Pacific:** Alaska, California, Hawaii, Oregon, Washington.

Current Travel Indicators

CURRENT TRAVEL INDICATORS...1989	Month	Value	Units	Percent Change Last Month	Year Ago	Year To Date
Establishment Receipts or Retail Sales						
Hotels, Motels, Other Lodging Places(1)	Apr	$ 5,144	million	-2.0	10.5	9.4
Eating and Drinking Places(2)	Apr	$13,541	million	-0.9	6.6	8.1
Gasoline Service Stations(2)	Apr	$ 9,032	million	2.2	7.7	4.5
Commercial Lodging Demand						
Hotel/Motel Occupancy Rates(3)	Apr	63.5	percent	-0.5	1.6	1.3
Real Demand for Commerical Lodging(4)	Apr	62.1	million	-1.9	4.8	4.6
Airline Passenger Traffic (5)						
Domestic Revenue Passenger-Miles	Apr	25.3	billion	-7.7	-4.5	-2.8
Int'l Revenue Passenger Miles	Apr	7.2	billion	-1.2	6.7	10.7
Highway Traffic Volume (6)						
Rural Arterial Passenger-Miles	Apr	41.9	billion	-0.5	3.4	5.2
Rail Passenger Traffic (7)						
Amtrak Passenger-Miles	Apr	496.4	million	-5.3	6.3	9.5
Travel Price Index (1982 - 84 = 100) (8)	Apr	125.7		0.5	5.5	4.7
U.S. Resident Travel						
Total Person-trips(9)	Apr	81.1	million	-3.1	7.9	6.5
Vacation Person-trips(9)	Apr	46.0	million	-13.0	6.2	12.9
Total Person-nights(10)	Apr	278.3	million	-5.3	6.2	3.1
Vacation Person-nights(10)	Apr	188.2	million	-14.9	3.8	12.5
Public Use of National Parks (11)						
Visits	Apr	21,045,677		30.3	-0.1	0.3
Overnight Stays	Apr	927,827		21.3	-0.7	-2.6
Foreign Arrivals to the U.S.						
From Overseas(12)	Mar	1,102,058		32.3	16.9	13.4
From Canada(13)	Apr	1,242,805		-11.1	7.5	15.1
From Mexico(12)	Mar	111,526		85.4	29.2	32.8
U.S. Citizen Departures						
To Overseas(12)	Mar	1,005,900		-14.6	6.6	6.6
To Canada(13)	Apr	594,549		1.8	-10.6	-4.1
Domestic Demand for Gasoline - Barrels/Day(14)	Apr	7,150	thousand	-3.7	-3.8	-0.3

(1) Source: Smith Travel Research, seasonally unadjusted. (2) Preliminary; revised monthly. Source: Bureau of the Census. (3) Source: Smith Travel Research, seasonally adjusted, 1986 and 1987 data have been revised. (4) Smith Travel Research, unadjusted room nights sold. (5) Preliminary; U.S. scheduled service air carriers. Source: Air Transport Association. (6) Preliminary; revised monthly. Source: Federal Highway Administration. (7) Source: National Railroad Passenger Corporation (Amtrak). (8) Source: US Travel Data Center and Bureau of Labor Statistics. (9) Source: US Travel Data Center. (10) US Travel Data Center. Data is not comparable to earlier published numbers due to revised methodology. (11) Preliminary; unadjusted for differences in reporting units. Source: National Park Service. (12) Source: U.S. Travel and Tourism Administration. Mexican data reflect 194 arrivals only. (13) Statistics Canada (14) Preliminary; Source: U.S. Department of Energy.

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